BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 80-251-E - ORDER NO. 84-812

October 9, 1984

IN RE: Small Power Production and Cogeneration) ORDER Facilities - Implementation of Section) DENYING 210 of the Public Utility Regulatory) MOTION Policies Act of 1978.

On September 13, 1984, Clifton Power Corporation ("Clifton") filed a Motion with the Public Service Commission of South Carolina ("the Commission") requesting that the Commission "hold a hearing within the next two weeks for the sole purpose of approving an interim rate schedule for qualifying facilities interconnected" with Duke Power Company ("Duke" or "the Company") and amend contracts of qualifying facilities so that they can operate under this interim rate. Thereafter, Duke filed its "Response In Opposition to Clifton Power Corporation's Motion to Set Interim Rate for Duke Power Company."

Based on a review of the matters contained in the Motion of Clifton, the Response of Duke and matters contained in the Commission files, the Commission has made the following findings:

1. In February, 1984, the Commission issued a Notice of Hearing which indicated that "a review of the small power production and cogeneration schedules and their implementation is appropriate at this time." The hearing was originally scheduled to begin on May 30, 1984. The hearing was not scheduled at the request of Clifton or any other party.

- 2. On April 27, 1984, Clifton requested that it be granted intervenor status with the right to participate as a party of record.
- 3. The Commission entered an Order on May 17, 1984, granting the Motion of the Consumer Advocate and the South Carolina Energy Users Committee ("SCEUC") to continue the hearing for at least sixty (60) days. The Commission rescheduled the hearing for September 12, 1984. Clifton did not file a Response to the Motion for Continuance.
- 4. On August 27, 1984, SCEUC filed a Motion to Recess the Hearing for a period of six (6) months. The Commission entered an Order on August 29, 1984, continuing the hearing "to a time to be ascertained at some later date" and scheduled a conference of the parties and the Commission Staff on September 7, 1984, "to allow a full review of the matters asserted and the issues presented in this proceeding."
- 5. The parties agreed at the prehearing conference to submit a statement of the issues and their positions on the issues by September 17, 1984, and thereafter each party would respond to each other party's issues and positions so that the Commission might determine which matters remain in controversy. Clifton did not attend the prehearing conference and did not object to this procedure.
- 6. In support of its Motion, Clifton asserted that by establishing an interim rate, the Commission can provide for

additional time to appropriately address all of the complex issues in establishing the final rates without substantial economic harm to existing qualifying facilities; that the hearing should be limited in duration and specifically address only those issues which directly impact the structure and rate in the PP schedule and the contract terms; and that issues such as the avoided cost, long-term rates, standards and charges for interconnection, and contractual terms "can be postponed until the full hearings are held by which time the scheduled meetings may have resolved many of these issues."

7. Clifton's Motion would tend to circumvent the reasonable and orderly process that has been established by the Commission. Clifton did not participate in the prehearing conference and has not shown by its Motion that the relief it requests is justified. The Motion indicates a primary interest in rates, while the Commission and other parties must be more broadly concerned with all other issues.

CONCLUSION

Based on the foregoing, the Commission concludes that the granting of the relief requested in Clifton's Motion would not be in the public interest and should be denied.

IT IS THEREFORE ORDERED:

1. That the Motion of Clifton Power Corporation to hold a special hearing to approve an interim rate and contract change

for qualifying facilities interconnected with Duke Power Company be, and hereby is, denied.

2. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE Commission.

Chairman

ATTEST.

Executive Director

(SEAL)